

AGENDA



RCA - Purchasing	Austin City Council	Item ID:	6315
Meeting Date:	May 12, 2011		
Department:	Purchasing		

Subject

Authorize award and execution of a 24-month requirements service contract with ANCON SERVICE COMPANY, LaPorte, TX, for condenser tube cleaning services for Austin Energy in an estimated amount not to exceed \$162,906, with three 12-month extension options in an estimated amount not to exceed \$81,453 per extension option, for a total estimated contract amount not to exceed \$407,265.

Amount and Source of Funding

Funding in the amount of \$27,151 is available in the Fiscal Year 2010-2011 Operating Budget of Austin Energy. Funding for the remaining eight months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Lowest bid of four bids received.
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Prior Council Action:	
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For More Information:	Dolores Castillo, Sr. Buyer /512-322-6466
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Boards and Commission Action:	Recommended by the Electric Utility Commission.
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MBE / WBE:	This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
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Related Items:	
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Additional Backup Information

This contract will provide for labor, supervision, tools and cleaning equipment to perform the cleaning of condenser tubes and tube sheets on an as-needed basis at Decker Creek Power Station and Sand Hill Energy Center. Condenser tubes are used at these Austin Energy power plants to condense the exhaust steam from the steam turbines in order to obtain maximum efficiency and also to convert the turbine exhaust steam into pure water which can then be reused in the boiler.

Services provided under this contract will include utilizing hydro-blast cleaning equipment to remove all unwanted foreign biological and scale build-up material, and debris from condenser tubes and tube sheets, and return the tubes and tube sheets, when economically feasible, to original equipment manufacturers specifications. The removal of the scale build-up and debris is necessary because such build up can greatly reduce the effectiveness and efficiency of the condenser tubes, as well as lead to corrosion of the tubes.

BID TABULATION

IFB No. DKC0077

(3- line items)

<u>Vendor</u>	<u>Total bid for 24 months</u>
Ancon Service Co. LaPorte, Texas	\$162,906.00
W-S Industrial Srv., Inc. Council Bluffs, IA	\$207,490.80
Veolia ES Industrial Srv. Rockdale, TX	\$324,097.20
Clean Harbors Indust. Srv. Houston, TX	\$1,048,448.96

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- a. Adequate competition.
- b. One hundred forty-one notices were sent including seven MBEs and five WBEs. Four bids were received, with no responses from the MBE/WBEs.
- c. The pricing offered represents a 6% increase to the last contract award made in November 2007.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Ancon Service Co. is not the current supplier of this service.
- b. The Purchasing office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.